

# **State of Alaska FY2007 Governor's Operating Budget**

## **Department of Health and Social Services Children's Medicaid Services Component Budget Summary**

## Component: Children's Medicaid Services

### Contribution to Department's Mission

The Children's Medicaid Services component provides Medicaid services and financial payments to children in state custody and to Medicaid eligible recipients of Infant Learning.

### Core Services

The Children's Medicaid Services component provides Medicaid services and financial payments to children in state custody and to Medicaid eligible recipients of Infant Learning. Services include behavioral rehabilitation and targeted case management for Infant Learning and children in custody.

### FY2007 Resources Allocated to Achieve Results

<b>FY2007 Component Budget: \$16,145,700</b>	<b>Personnel:</b>	
	Full time	0
	Part time	0
	<b>Total</b>	<b>0</b>

### Key Component Challenges

The Children's Medicaid Services component integrates Medicaid programmatic, administrative, and financial responsibility for reimbursable services provided to clients receiving services that fall under the Children's Services RDU.

*Medicaid Targeted Case Management for Infant Learning (ILP TCM)* – The Department sought and received a Medicaid State Plan Amendment for approval to reimburse Medicaid eligible Infant Learning service providers for case management services. The OCS ILP TCM workgroup and Alaskan ILP providers began work to implement this program in early FY 2006 with a pilot project involving three ILP providers. Work will continue as policy and procedure within Federal Medicaid guidelines is developed, billing systems are enhanced, and instruction manuals are developed. Grantees' ability to bill Medicaid for services provided to Medicaid eligible children will result in more children served who will receive more timely and coordinated services.

A prospective challenge for all Medicaid programs is the potential reduction of Alaska's Federal Authorized Medicaid Percentage (FMAP) from 57.58% to 51.07% in FFY07. Such a drop would significantly increase Alaska's share of the cost of Medicaid. However, there is currently legislation in Congress that would hold Alaska harmless for two years (FY06 & FY07). If passed, the Alaska FMAP would remain at the 57.58% rate.

### Significant Changes in Results to be Delivered in FY2007

The addition of new Behavioral Rehabilitation Services (BRS) beds for non-custody children will help further the Bring the Kids Home goals, by serving children closer to home and keeping families more involved and intact,

An increase to the Medicaid BRS rate will allow Residential Care Facilities the ability to re-focus funds to provide services to children with needs that currently are met out-of-state in anticipation of a successful Bring the Kids Home campaign. Adequate funding will allow for the development of facility infrastructure, increase the ability to attract the most experienced and educated workforce, and provide necessary staff training and development.

## Major Component Accomplishments in 2005

A continuum of Medicaid eligible behavioral rehabilitative services were available to 875 Medicaid eligible children in state custody.

## Statutory and Regulatory Authority

AS 47.07 Medical Assistance for Needy Persons  
7 AAC 43 Medicaid Assistance

Social Security Act:  
Title XIX Grants to States for Medical Assistance Programs  
Title XXI State Children's Health Insurance Program

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### Children's Medicaid Services Component Financial Summary

*All dollars shown in thousands*

	FY2005 Actuals	FY2006 Management Plan	FY2007 Governor
<b>Formula Program:</b>			
<b>Component Expenditures:</b>			
71000 Personal Services	0.0	0.0	0.0
72000 Travel	0.0	0.0	0.0
73000 Services	0.0	0.0	0.0
74000 Commodities	0.0	0.0	0.0
75000 Capital Outlay	0.0	0.0	0.0
77000 Grants, Benefits	10,408.0	10,851.7	16,145.7
78000 Miscellaneous	0.0	0.0	0.0
<b>Expenditure Totals</b>	<b>10,408.0</b>	<b>10,851.7</b>	<b>16,145.7</b>
<b>Funding Sources:</b>			
1002 Federal Receipts	6,529.4	6,529.4	9,065.1
1003 General Fund Match	287.5	287.5	1,215.8
1004 General Fund Receipts	1,591.1	2,034.8	2,034.8
1037 General Fund / Mental Health	2,000.0	2,000.0	3,830.0
<b>Funding Totals</b>	<b>10,408.0</b>	<b>10,851.7</b>	<b>16,145.7</b>

### Estimated Revenue Collections

Description	Master Revenue Account	FY2005 Actuals	FY2006 Management Plan	FY2007 Governor
<b>Unrestricted Revenues</b>				
None.		0.0	0.0	0.0
<b>Unrestricted Total</b>		<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
<b>Restricted Revenues</b>				
Federal Receipts	51010	6,529.4	6,529.4	9,065.1
<b>Restricted Total</b>		<b>6,529.4</b>	<b>6,529.4</b>	<b>9,065.1</b>
<b>Total Estimated Revenues</b>		<b>6,529.4</b>	<b>6,529.4</b>	<b>9,065.1</b>

**Summary of Component Budget Changes  
From FY2006 Management Plan to FY2007 Governor**

*All dollars shown in thousands*

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
<b>FY2006 Management Plan</b>	<b>4,322.3</b>	<b>6,529.4</b>	<b>0.0</b>	<b>10,851.7</b>
<b>Proposed budget increases:</b>				
-Medicaid Behavioral Rehabilitative Services Rate Increase for Kids in Custody	928.3	1,285.7	0.0	2,214.0
-Bring the Kids Home - Expand Behavioral Rehabilitation Services (BRS)	1,250.0	1,250.0	0.0	2,500.0
-Medicaid Behavioral Rehabilitative Services Rate Increase for Non-Custody Kids	580.0	0.0	0.0	580.0
<b>FY2007 Governor</b>	<b>7,080.6</b>	<b>9,065.1</b>	<b>0.0</b>	<b>16,145.7</b>